News Release

CONTACT: Don Rhodes, 213/236-1840 Jeff Lustgarten, 323/466-3445

FOR IMMEDIATE RELEASE January 5, 2006



SOUTHERN CALIFORNIA TRANSPORTATION FLUNKS LATEST GRADE

* * *

New SCAG Report Card Gives Region Failing Mark for Transportation, Low Grades For Air Quality, Housing, Income, Other Areas

LOS ANGELES, CA – Southern California's quality of life has taken a step backwards according to a new State of the Region report released today by the Southern California Association of Governments (SCAG). The report cites worsening traffic congestion, poor air quality, the lack of affordable housing and the loss of high-paying manufacturing jobs as major challenges to the region's well being. The State of the Region serves as an annual "Report Card" for the six-county SCAG region, rating its performance in seven policy categories, including transportation, employment, income, housing, air quality, safety and education. SCAG's leaders urged unprecedented collaboration between all levels of government and the private sector to overcome the declining quality of life indicators identified in the report.

"Southern California is one of the world's most dynamic regions, but the challenges we face are severe," said Riverside Mayor Ron Loveridge, who chairs the SCAG committee that developed the report. "If any of your children came home with grades like these, I imagine they would have a lot of explaining to do."

Southern California again ranked as the nation's most congested metropolitan area, with its grade declining from D- in last year's report to an F. The average Southern Californian wasted about 90 hours sitting in traffic congestion throughout the year, the most time wasted among the nation's largest metropolitan area commuters. The annual delay per person was especially pronounced for Inland Empire residents, representing a 70 percent increase since 1990. A decline in carpool lane usage, increase in the rate of commuters driving alone and continuing increase in highway fatalities also contributed to this year's F grade.

"We all know how bad traffic congestion is today, and it will only get worse unless we make significant investments in our transportation infrastructure," said Los Angeles County Supervisor and SCAG First Vice President Yvonne B. Burke. "Our roads and freeways become more bogged down every year, and our transit systems are nowhere near meeting their full potential."

The air quality grade saw some slight improvement, going from a C- in last year's report to a C this year. For the second year in a row, the region had no violations for exceeding carbon monoxide standards and the number of health advisory days in the South Coast dropped from 36 to four days. Many of the improvements were attributed to a more mild weather pattern.

The continued lack of affordable, available housing kept Southern California's housing grade at a D in this year's report. Last year, there were considerable increases in home prices and rental costs, significantly outpacing income growth. While housing construction exceeded the record from the previous year, it still lags behind demand. Less than one-third of the region's households could afford a median-priced home in Southern California, compared to more than half of the households nationally. Among the nation's nine major metropolitan areas, Southern California has the highest percentage of households spending more than 30 percent of their income on housing. Southern California also scored mixed grades in the other four areas:

- **Employment (B)** Even with positive signs of job growth in recent months, the region still faces fundamental challenges, most particularly the loss of high-paying manufacturing jobs during the last several years. The region created 90,000 jobs in 2004, the first meaningful job growth since 2000. The region's unemployment rate (six percent) exceeded the national average of 5.5 percent.
- **Income** (C) Despite slight improvement since last year's report, Southern California plummeted from the fourth highest income in 1970 among the nation's 17 largest metropolitan regions to 17th in 2003. Nearly 15 percent of the total population and one in five children in the region live in poverty.
- **Education (D)** With the exception of Ventura and Orange Counties, 8th graders throughout the region continue to perform below the national median in reading and math test scores. The region saw slight increases in the percentage of adults with a high school diploma (77 percent).
- **Safety** (**B**) This grade represents one of the report's few bright spots. Violent crime rates across the region declined by about 10 percent, and the number of hate crimes decreased by 8 percent.

"The challenges raised by the State of the Region are interrelated," said Port Hueneme City Councilwoman and SCAG President Toni Young. "Lower income residents tend to have fewer educational opportunities that will allow them to obtain better paying jobs. Without higher wages, they cannot afford a home. To afford a home, they have to move farther away from their job, which means they're spending more time on the roads and adding to our congestion and air quality problems."

"With continually poor grades, society is failing to give our children the support they need to succeed in the increasingly diverse and competitive marketplace," said Huntington Beach City Councilwoman Debbie Cook. "We are all accountable for the failings of our educational system, and it's going to require more engagement from parents, teachers, administrators and the community at large to turn this around."

SCAG Executive Director Mark Pisano discussed several important efforts that will address the report's stark findings. First, he cited ongoing discussions between the governor and legislative leaders to put forth an unprecedented state infrastructure bond measure later this year. He also talked about the implementation of SCAG's Compass Growth Visioning "2% Strategy" by local governments as a means to better coordinate land use and transportation planning and accommodate future growth in the region. Finally, Pisano discussed Southern California's opportunity to become a truly "global gateway" region through key transportation infrastructure investments and economic development initiatives.

"It's going to take vision, innovation and a new level of governmental cooperation, but I hope that today's State of the Region Report will give our leaders at all levels of government the ammunition they need to get this process going in earnest," said Pisano.